

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

RECEIVED  
MAR 19 1996  
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

\_\_\_\_\_  
In the Matter of )

Telecommunications Services )

Inside Wiring )

Customer Premises Equipment )  
\_\_\_\_\_

CS Docket No. 95-184

DOCKET FILE COPY ORIGINAL

**COMMENTS OF RESIDENTIAL COMMUNICATIONS NETWORK, INC.**

Residential Communications Network, Inc. ("RCN"), pursuant to Section 1.415 of the Commission's Rules, submits these Comments in response to the *Notice of Proposed Rulemaking*<sup>1/</sup> in the above captioned proceeding ("NPRM"). As a preliminary matter, RCN commends the Commission for its timely recognition of the need to examine whether its current cable television and telephone inside wiring rules and policies promote competition in light of the impending convergence of the telephone and cable industries. In this regard, RCN submits that two fundamental goals should guide the Commission as it addresses the many complex policy issues raised by convergence of video and telephone services. First, the Commission should adopt inside wiring rules to ensure that consumers have a choice of service providers without the inconvenience and cost associated with having multiple separate sets of inside wiring and connections installed by every available competitive provider. Second, in order to accomplish this goal, the Commission

<sup>1/</sup> *In re Telecommunications Services Inside Wiring, Customer Premises Equipment, Notice of Proposed Rulemaking*, CC Docket No. 95-184, FCC 95-504 (rel. Jan. 26, 1996).

086

must ensure that competitive service providers -- both telephone and video -- have non-discriminatory access to inside wiring necessary to deliver their services.

As detailed below, in developing rules which ensure that all competitive video and telephone service providers have access to necessary wiring at the most efficient interconnection point, the Commission should adopt the guiding principle that the appropriate demarcation point for multiple dwelling units (“MDUs”) should be the location where an individual subscriber’s line (“individual line”) can be detached from the incumbent provider’s common line (“common line”) and reattached to the common line of the competitive provider. Given differences in cable and telephone wiring configurations, the demarcation may be different for cable and telephone applications; indeed, under current technological and economic constraints, that point may be at multiple locations in an MDU for cable wiring, whereas it may likely be a single point for telephone wiring. In either case, however, the point or points would be at a location where competitors could interconnect their wiring without unduly disrupting the interior of the subscriber’s apartment or the MDU common areas.<sup>2/</sup>

## **I. STATEMENT OF INTEREST**

RCN is a subsidiary of C-TEC Corporation (“C-TEC”), which has interests in both the telephone and video services marketplace. Specifically, C-TEC’s subsidiaries include companies that provide local and long distance telephone services and others that provide cable television

---

<sup>2/</sup> In cable wiring configurations where “loop-through” wiring has been installed, there are certain circumstances where the entire wiring system should be considered cable home wiring. RCN is filing comments in the Commission’s MM Docket No. 92-260 concurrently herewith to address that type of wiring, and incorporates those comments by reference herein.

services in a number of jurisdictions. RCN was formed in recognition of the convergence of the telephone and cable/video industries as a company which will offer subscribers a full array of services through a single provider. RCN intends to provide video programming and telephone services to end users using wire-based and wireless technologies. As an emerging company with a business plan to provide a diverse package of video and telephone services to end users, and one which will likely be the initial installer of telephone and video in-building wiring in some new buildings and will seek to avoid unnecessary construction by using existing inside cable and telephone wiring in others, RCN has a significant interest in the Commission's resolution of these complex issues.

**II. THE COMMISSION SHOULD DEVELOP RULES CONSISTENT WITH THE PRINCIPLE THAT ALL WIRING WHICH IS DEDICATED TO INDIVIDUAL SUBSCRIBER DWELLINGS SHOULD BE AVAILABLE TO COMPETING SERVICE PROVIDERS**

**A. The Demarcation Point(s) In MDUs Should Be Located Where The Individual Subscriber Lines Can Be Detached From Service Provider's Network Common Line**

As competition has moved to "the last mile" (and to fractions thereof), the Commission has correctly recognized in this proceeding that, if meaningful competition is to develop, the Commission must assure that end users have access to competing video and telephone service providers. In an MDU building, access must be assured without the necessity for construction of parallel inside wiring by every competing video and telephone provider seeking to offer service to tenants. Unless such duplicative construction can be avoided, meaningful competition will simply not develop. Indeed, although the Commission deferred a decision on a pending petition to redefine

the cable inside wiring demarcation point for multiple dwelling units until the issue could be considered in the broader context of this proceeding,<sup>3/</sup> the Commission has already expressed concern that the “current [cable] demarcation point may be impeding competition in the video services delivery marketplace . . .”<sup>4/</sup>

The Commission’s concern is justified. As a new entrant to the alternative video service marketplace, RCN believes strongly that the current cable demarcation rule, as applied to MDU buildings, is more likely to frustrate rather than promote competition. Moreover, while the rules in the telephone wiring context are somewhat more conducive to a competitive MDU environment insofar as there are now many post-1990 MDU buildings where a single demarcation point has been established, new competitors still face substantial (and at times insurmountable) hurdles in pre-1990 buildings, and in post-1990 MDU buildings where multiple demarcation points have been established. Indeed, the problem for both cable and telephone wiring is particularly acute in residential (as opposed to commercial) buildings, where plaster construction and the lack of drop ceilings make the installation of additional wiring a very disruptive -- and prohibitively expensive -- proposition.<sup>5/</sup>

---

<sup>3/</sup> See *Petition of Liberty Cable Company, Inc. For Reconsideration and Clarification*, MM Docket No. 92-260 (filed April 1, 1995) (“Liberty Petition”).

<sup>4/</sup> NPRM at ¶ 17.

<sup>5/</sup> For example, RCN concurs with commenters in the Cable Inside Wiring Proceeding who observed that the current MDU cable demarcation point (12 inches outside a cable subscriber’s apartment) is typically inaccessible to competing providers because the inside wiring at that point is often embedded in brick, concrete, or under blocks, or concealed in conduits or moldings. As a practical matter, in these circumstances, alternative video providers simply have no access to the inside wiring necessary to deliver their services, unless they cause substantial disruption to the  
(continued...)

Of course, the Commission's rules must therefore attempt to strike a balance among the interests of all of the parties, but in the end must recognize that, without nondiscriminatory access to individual cable inside wiring by all providers, end users will simply not have any choice other than the incumbent cable operator.<sup>6/</sup> Consequently, the Commission must develop a process whereby subscribers can be assured that inside wiring can be used to access multiple providers. RCN submits that redefinition of the cable demarcation point to a location where the dedicated line can be detached easily from the cable operator's common line without disrupting the interior of the subscriber's apartment or the MDU is the most effective means of assuring such access and to achieving meaningful video programming competition.<sup>2/</sup> Establishing the cable inside wiring demarcation point where the dedicated line meets the common line will provide alternative service providers access to necessary critical inside wiring and ensure that consumers have a fair and real opportunity to choose among video service providers.

---

<sup>5/</sup>(...continued)

building common areas and the subscriber's and building owner's property (if, indeed, it is even possible to install additional wiring in the building). In either case, this reality does not comport with Congress' intent that consumers be able to select from among competing video service providers without undue effort, disruption and cost, and instead effectively grants the incumbent provider a monopoly on serving the MDU. *See* H.R. Rep. No. 628, 102nd Cong. 2d Sess. At 118 (1992).

<sup>6/</sup> RCN notes that the current demarcation policy stymies provision of service by a competitive supplier even though the building owner seeks to make an alternative supplier available to tenants because, under the current rules, it is a competitor, rather than the building owner, who controls much of the individual wiring essential to providing service.

<sup>2/</sup> This approach assumes that alternative video service providers are able to access the function box or passive equipment necessary to physically reach the demarcation point. *See* 47 C.F.R. § 802(j).

Access to telephone wiring at the point where the common network wiring plant meets the individual in-building distribution wiring is equally important to competition. Essentially, this definition is consistent with the Commission's "minimum point of entry" demarcation point established in 47 C.F.R. § 68.3 (1995). However, as noted above, the situation in pre-1990 buildings, and in those post-1990 buildings where multiple demarcation points have been established, poses many of the same problems discussed above with respect to cable home wiring. For the same reasons, therefore, the Commission should adopt the general principle that individual in-building wiring should be available to multiple service providers at that point where the wiring can feasibly be moved from one provider's network to another's -- most commonly at a main distribution frame or intermediate frames -- and the Commission should develop rules consistent with that principle.


### **III. CONCLUSION**

For the foregoing reasons, RCN urges the Commission to focus on the fundamental principle of full accessibility to inside wiring in developing regulations to govern a converging

telecommunications and cable marketplace, in order to foster competition and the increased availability of alternate services.

Respectfully submitted,

**RESIDENTIAL COMMUNICATIONS  
NETWORK, INC.**

  
Margaret M. Charles  
Katherine A. Rolph

SWIDLER & BERLIN, CHARTERED  
3000 K Street, N.W., Suite 300  
Washington, DC 20007  
(202) 424-7654

Dated: March 19, 1996